NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88 (4-89) - Paid Up With 640 Acres Pooling Provision STANDARD LEASE v.5

THIS LEASE AGREEMENT is made this

described land, hereinafter called leased premises:

OUT OF THE TOVEST WOOD 4711 388-14

EHRIOUE CAMPOS AND WIFE

270

FOVEST

IN VOLUME

# PAID UP OIL AND GAS LEASE

(No Surface Use)

May

whose addresss is 4805 Morshal Offset Forest Hill Toxas 7019 as Lessor, and, DALE PROPERTY SERVICES, L.L.C., 2100 Ross Avenue, Suite 1870 Daltas Texas 75201, as Lessee. All printed portions of this lease were prepared by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. In consideration of a cash bonus in hand paid and the covenants herein contained, Lessor hereby grants, leases and lets exclusively to Lessee the following

GUADALLEE CAPLEDOS

day of\_

\_, 2008, by and between

TARRANT COUNTY, TEXAS, ACCORDING TO THAT CERTAIN PLAT RECORDED

OF THE PLAT RECORDS OF TARRANT COUNTY, TEXAS.

BLOCK ADDITION, AN ADDITION TO THE CITY OF

27

ACRES OF LAND, MORE OR LESS, BEING LOT(S) \_\_

, PAGE

53

reversion, pr substances   commercial g land now or Lessor agree of determinin	of Tarrant, State of TEXAS, containing escription or otherwise), for the purpose of produced in association therewith (including pases, as well as hydrocarbon gases. In achereafter owned by Lessor which are contigs to execute at Lessee's request any addition githe amount of any shut-in royalties hereun	exploring for, developing, producing g geophysical/seismic operations). Idition to the above-described leased uous or adjacent to the above-described and or supplemental instruments for a der, the number of gross acres above	and marketing oil and gas, along w The term "gas" as used herein ind premises, this lease also covers acc bed leased premises, and, in conside more complete or accurate descriptio specified shall be deemed correct, where	cludes helium, carbon dioxide and other tretions and any small strips or parcels of tration of the aforementioned cash bonus, n of the land so covered. For the purpose hether actually more or less.
as long there	lease, which is a "pald-up" lease requiring a after as oil or gas or other substances cover untained in effect pursuant to the provisions	ed hereby are produced in paying qu	ary term of <b>FVO</b> (5 antilies from the leased premises or f	)years from the date hereof, and for rom lands pooled therewith or this lease is
3. Roy separated at Lessor at the the wellhead prevailing production, s Lessee shall no such prior the same or more wells o are waiting o be deemed there from is Lessor's creawhile the we is being sold following ces	alties on oit, gas and other substances proc Lessee's separator facilities, the royalty she wellhead or to Lessor's credit at the oil pur market price then prevailing in the same fit ice) for production of similar grade and grade and grade, or other excise taxes and the conhave the continuing right to purchase such as then prevailing in the same field, then in the leased premises or lands pooled there in hydraulic fracture stimulation, but such we to be producing in paying quantities for the groot bally good by Lessee, then Lessee shift in the depository designated below, on oil or wells are shut-in or production there from by Lessee from another well or wells on the sation of such operations or production. Lessee is the sation of such operations or production.	duced and saved hereunder shall be all be chaser's transportation facilities, proven the process of the proceeds realized by Lesser is incurred by Lesser in delivering, production at the prevailing wellhead the nearest field in which there is such a Lessee commences its purchases he with are capable of either producing of or wells are either shut-in or produciourpose of maintaining this lease. If the process of the producing sold by Lessee; provide the leased premises or lands pooled its	(26)%) of such production that Lessee shall have the continuous prevailing in the same field, then in the phead gas) and all other substance from the sale thereof, less a proporcessing or otherwise marketing sumarket price paid for production of sin a prevailing price) pursuant to complete remarket, and (c) if at the end of the foil or gas or other substances covered tion there from is not being sold by Lefor a period of 90 consecutive days sher acre then covered by this lease, so death that if this lease is otherwise being herewith, no shut-in royally shall be designed.	tion, to be delivered at Lessee's option to nuting right to purchase such production at the nearest field in which there is such a es covered hereby, the royalty shall be cortionate part of ad valorem taxes and ch gas or other substances, provided that nitar quality in the same field (or if there is arable purchase contracts entered into on primary term or any time thereafter one or i hereby in paying quantities or such wells ssee, such well or wells shall nevertheless uch well or wells are shut-in or production such payment to be made to Lessor or to niversary of the end of said 90-day period maintained by operations, or if production ue until the end of the 90-day period next
be Lessor's of draft and such address know payment here. S. Exc. premises or pursuant to nevertheless on the leaser the end of the operations rand cessation there is produced to (a) develople ased premises.	s lease, shut-in royally payments under this lease sh lepository agent for receiving payments region payments or tenders to Lessor or to the count to Lessee shall constitute proper paymer sunder, Lessor shall, at Lessee's request, do ept as provided for in Paragraph 3, above, I hands pooled therewith, or if all production the provisions of Paragraph 6 or the action remain in force if Lessee commences open dipremises or lands pooled therewith within the primary term, or at any time thereafter, the action in paying quantities from the leased properties of the leased premises as to formations the session of the leased premises as to formations the sess from uncompensated drainage by any wills except as expressly provided herein.	irdless of changes in the ownership of lepository by deposit in the US Mails at. If the depositiony should liquidate of diver to Lessee a proper recordable in the Lessee drills a well which is incapated whether or not in paying quantilies, not any governmental authority, the stions for reworking an existing well of 0 days after completion of operation his lease is not otherwise being main duction therefrom, this lease shall remainly such operations result in the propremises or lands pooled therewith, insee or lands pooled therewith as a representation of the producing in paying quarter and the produ	f said land. All payments or tenders min a stamped envelope addressed to or be succeeded by another institution astrument naming another institution able of producing in paying quantities (t) permanently ceases from any causen in the event this lease is not other for drilling an additional well or for c s on such dry hole or within 90 days antained in force but Lessee is then enain in force so long as any one or moduction of oil or gas or other substant After completion of a well capable of reasonably prudent operator would drientities on the leased premises or late.	hay be made in currency, or by check or by the depository or to the Lessor at the last it, or for any reason fail or refuse to accept is depository agent to receive payments, hereinafter called "dry hole") on the leased it, including a revision of unit boundaries herwise being maintained in force it shall otherwise obtaining or restoring production after such cessation of all production. If at nogaged in drilling, reworking or any other ore of such operations are prosecuted with ces covered hereby, as long thereafter as producing in paying quantities hereunder, ill under the same or similar circumstances ands pooled therewith, or (b) to protect the
6. Les depths or zo proper to do unit formed it horizontal co completion to of the forego prescribed, "feet or more equipment; a component it Production, or reworking op net acreage Lessee. Por unit formed in prescribed o making such leased premise adjusted a	ills except as expressly provided herein, see shall have the right but not the obligationes, and as to any or all substances cover so in order to prudently develop or operate by such pooling for an oil well which is not a meletion shall not exceed 640 acres plus a reconform to any well spacing or density pating, the terms "oil well" and "gas weff" shall bill well" means a well with an initial gas-oil met per barrel, based on 24-hour production and the term "horizontal completion" means hereof. In exercising its pooling rights here drilling or reworking operations anywhere deraitions on the leased premises, except the covered by this lease and included in the tabling in one or more instances shall not exhibit existing the discordingly. In the absence of production in laration describing the unit and stating the discordingly. In the absence of production in laration describing the unit and stating the discordingly.	ed by this lease, either before or afti- he leased premises, whether or not a horizontal completion shall not excee- naximum acreage tolerance of 10%; eem that may be prescribed or permit- have the meanings prescribed by ap- atio of less than 100,000 cubic feet pe- test conducted under normal produc- is an oil well in which the horizontal an oil well in which the horizontal or under, Lessee shall file of record a va- in a unit which includes all or any pi- t the production on which Lessor's re- init bears to the total gross acreage aust Lessee's pooling rights hereunde- oth, either before or after commence aving jurisdiction, or to conform to ar- ten declaration describing the revised by virtue of such revision, the propor- paying quantities from a unit, or upor-	er the commencement of production, similar pooling authority exists with resed 80 acres plus a maximum acreage provided that a larger unit may be forried by any governmental authority has policable taw or the appropriate gover barrel and "gas well" means a well to cling conditions using standard lease component of the gross completion intwitten declaration describing the unitart of the leased premises shall be to ayally is calculated shall be that proposing the unit, but only to the extent such that the proposing the unit, but only to the extent such and Lessee shall have the recurring productive acreage determination of a unit and stating the effective date of the off unit production or which royalt in permanent cessation thereof, Lesse	whenever Lessee deems it necessary or spect to such other lands or interests. The tolerance of 10%, and for a gas well or a ned for an oil well or gas well or horizontal ving jurisdiction to do so. For the purpose nmental authority, or, if no definition is so with an initial gas-oil ratio of 100,000 cubic esparator facilities or equivalent testing interval in facilities or equivalent testing erval in the reservoir exceeds the vertical and stating the effective date of pooling, reated as if it were production, drilling or writion of the total unit production which the chip proportion of unit production is sold by gright but not the obligation to revise any orm to the well spacing or density pattern made by such governmental authority. In revision. To the extent any portion of the les are payable hereunder shall thereafter e may terminate the unit by filling of record

- 7. If Lessor owns less than the full mineral estate in all or any part of the leased premises, the royaltles and shut-in royaltles payable hereunder for any well on any part of the leased premises or lands pooled therewith shall be reduced to the proportion that Lessor's interest in such part of the leased premises bears to the full mineral estate in such part of the leased premises
- such part of the leased premises.

  8. The interest of either Lesser or Lessee hereunder may be assigned, devised or otherwise transferred in whote or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 80 days after Lessee has been furnished the original or certified or duty authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to decedent or decedent's estate in the depository designated above. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or separately in proportion to the Interest which each owns. If Lessee transfers its interest hereunder in whote or in part Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferred to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If lessee transfers a full or undivided interest in any ortion of the area covered by this lease, the obligation to
- Lessee with respect to the transferred microst, and nature of the transferred to satisfy such congations with respect to the transferred microst shall be divided between Lessee transferred in proportion to the net acreage interest in this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferree in proportion to the net acreage interest in this lease then held by each.

  9. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this lease as to a full or undivided interest in all or any portion of the area covered by this lease or any depths or zones there under, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced
- the area covered by this lease or any depths or zones there under, and shall thereupon be relieved of all obligations thereafter arising with respect to the Interest so released. If Leasee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or lender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

  10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary and/or enhanced recovery, Lessee shall have the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and line construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat end/or transport production. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises of the respect of the respect to the

- time after said judicial determination to remedy the breach or default and Lessee fails to do so.

  14. For the same consideration recited above, Lessor hereby grants, assigns and conveys unto Lessee, ils successors and assigns, a perpetual subsurface well bore easement under and through the leased premises for the placement of well bores (along routes selected by Lessee) from oil or gas wells the surface locations of which are situated on other tracts of land and which are not intended to develop the leased premises or lands pooled therewith and from which Lessor shall have no right to royalty or
- other benefit. Such subsurface well bore easements shall run with the land and survive any termination of this lease.

  15. Lessor hereby warrants and agrees to defend title conveyed to Lessee hereunder, and agrees that Lessee at Lessee's option may pay and discharge any taxes, mortgages or liens existing, levied or assessed on or against the leased premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until
- Lessee has been furnished satisfactory evidence that such claim has been resolved.

  16. Notwithstanding anything contained to the contrary in this lease, Lessee shall not have any rights to use the surface of the leased premises for drilling or other operations
- 17. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

  DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms which lessee has or may negotiate with any other lessors/oil and gas owners. which Lessee has or may negotiate with any other lessors/oil and gas owners.

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's heirs, devisees, executors, administrators, successors and assigns, whether or not this lease has been executed by all parties hereinabove named as Lessor.

LESSOR (WHETHER ONE OR MORE)

Enrique Compos	By: Guedalupe Campos
STATE OF L-205	ACKNOWLEDGMENT
COUNTY OF This instrument was acknowledged before me on the by:	day of the
	PUBLIC THE PUBLIC PUBLISHED TO THE PUBLI
	Notary Public, Stale of Stockery's name (punted); Notary's commission expires:
	Notary's commission expires:
COUNTY OF This instrument was acknowledged before me on the by:	day of, 2008,



### DALE RESOURCES LLC 2100 ROSS AVE STE 1870 LB-9

DALLAS

TX 75201

Submitter: DALE RESOURCES LLC

## SUZANNE HENDERSON TARRANT COUNTY CLERK TARRANT COUNTY COURTHOUSE 100 WEST WEATHERFORD FORT WORTH, TX 76196-0401

## <u>DO NOT DESTROY</u> <u>WARNING - THIS IS PART OF THE OFFICIAL RECORD.</u>

D208212710

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

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